

DEPARTMENT OF COMMERCE Foreign-Trade Zones Board [B-41-2012]

Foreign-Trade Zone 36 -- Galveston, Texas Application for Reorganization/Expansion under Alternative Site Framework

An application has been submitted to the Foreign-Trade Zones (FTZ) Board (the Board) by the Board of Trustees of the Galveston Wharves, grantee of FTZ 36, requesting authority to reorganize and expand the zone under the alternative site framework (ASF) adopted by the Board (15 CFR Sec. 400.2(c)). The ASF is an option for grantees for the establishment or reorganization of general-purpose zones and can permit significantly greater flexibility in the designation of new subzones or "usage-driven" FTZ sites for operators/users located within a grantee's "service area" in the context of the Board's standard 2,000-acre activation limit for a general-purpose zone project. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on May 22, 2012.

FTZ 36 was approved by the Board on May 4, 1978 (Board Order 129, 43 FR 20525, 5/12/78), and expanded on August 27, 2004 (Board Order 1348, 69 FR 53887, 9/3/04). On February 22, 2000, the grant of authority was reissued to the Board of Trustees of the Galveston Wharves (Board Order 1080, 65 FR 11548-11549, 3/3/00).

The current zone project includes the following sites: Site 1 (162 acres) -- within Galveston Harbor, west end of port complex on Galveston Island; Site 2 (896 acres, 6 parcels) -- within Galveston Harbor on Pelican Island; Site 3 (38 acres) -- within Scholes International Airport, 4 miles from Site 1 on Galveston Island; Site 4 (25 acres, expires 12/31/2012) -- within the League City Industrial Park, 651 FM 646, Dickinson; Site 5 (21 acres, expires 12/31/2012) --

4200 Old Port Industrial Road, Galveston; and, <u>Site 6</u> (55 acres, expires 12/31/2012) -- Hitchcock Blimp Base, 7526 Blimp Base Road, Hitchcock.

The grantee's proposed service area under the ASF would be Galveston County, Texas, as described in the application. If approved, the grantee would be able to serve sites throughout the service area based on companies' needs for FTZ designation. The proposed service area is within and adjacent to the Houston Customs and Border Protection port of entry.

The applicant is requesting authority to reorganize and expand its existing zone project as follows: restore 76 acres at Site 2 (new acreage - 972 acres); Sites 1, 2 (as modified) and 3 would become "magnet" sites; and, Sites 4, 5 and 6 would become "usage-driven" sites. The ASF allows for the possible exemption of one magnet site from the "sunset" time limits that generally apply to sites under the ASF, and the applicant proposes that Site 1 be so exempted. The application would have no impact on FTZ 36's previously authorized subzones.

In accordance with the Board's regulations, Camille Evans of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is *[insert date 60 days from date of publication]*. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to *[insert date 75 days from date of publication]*.

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 2111, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230-0002, and in the "Reading Room"

section of the Board's website, which is accessible via www.trade.gov/ftz. For further information, contact Camille Evans at Camille.Evans@trade.gov or (202) 482-2350.

Dated: May 22, 2012

Andrew McGilvray
Executive Secretary

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